



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE: AS-0

February 17, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AWARD OF CONTRACT FOR A COMPREHENSIVE CUSTOMER
INFORMATION SYSTEM SOLUTION FOR WATER BILLING
BY THE LOS ANGELES COUNTY WATERWORKS DISTRICTS
(SUPERVISORIAL DISTRICTS 3, 4, AND 5)
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

This action is to award a contract for the installation, implementation, licensing, and maintenance of a Comprehensive Customer Information System Solution to replace the current County's Waterworks Billing System.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Award the contract for the installation, implementation, licensing, and maintenance of a Comprehensive Customer Information System Solution in a sum not to exceed \$2.5 million to N. Harris Computer Corporation, located in Toronto, Ontario, Canada. This contract will be for a term commencing upon execution by both parties and ending after a five-year maintenance plan, which will start at the "Go-Live" of the system, which is estimated to be 14 months after the execution of both parties, with two 5-year renewal options for continued maintenance of the system. The annual amount of each renewal option is \$146,000 plus any applicable

cost-of-living adjustment in accordance with County policy and the terms of the contract.

2. Authorize the Director of Public Works or her designee to increase the contract amount up to an additional 10 percent of the contract sum over the term of the contract for unforeseen, additional work within the scope of the contract, if required, and to adjust the contract sum over the term of the contract and each year of the renewal options to allow for an annual cost-of-living adjustment in accordance with County policy and the terms of the contract.
3. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option if, in the opinion of the Director of Public Works, the contractor has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works, it is in the best interest of the County to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to install, implement, license, and maintain a Comprehensive Customer Information System Solution and replace the current Waterworks Billing System for the Los Angeles County Waterworks Districts, which will enhance the service to Waterworks customers by providing online and credit card payments and online account maintenance.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Service Excellence (Goal 1), Organizational Effectiveness (Goal 3), and Community Services (Goal 6). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support the Department of Public Works (Public Works) in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund. The contract is for an amount not to exceed \$2.5 million for the entire term plus 10 percent for unforeseen, additional work within the scope of the contract. The annual amount of each renewal option is \$146,000 plus any applicable cost-of-living adjustment in accordance with County policy

and the terms of the contract. This amount is based on the prices quoted by the contractor.

Financing for a portion of the 14-month implementation period is included in the Fiscal Year 2008-09 Internal Service Fund Budget, which will be reimbursed by the Waterworks District Fund Budgets. Funds to finance the remainder of the initial term and the contract's optional terms and funding for contingencies will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract will be in the form previously reviewed and approved by County Counsel (Attachment A). The recommended contract with N. Harris Computer Corporation (N. Harris) was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

The contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Upon your Board's approval, this contract will commence from the date of the execution by both parties to be issued by Public Works and ending after a five-year maintenance plan, which will start at the "Go-Live" of the system, which is estimated to be 14 months after the execution of both parties, with two 5-year renewal options for continued maintenance of the system.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for these contracted services was submitted on February 14, 2008, to the appropriate union for review. Public Works met and consulted with Service Employees International Union 721 on May 6, 2008, regarding this solicitation. Subsequent to this meeting, no additional questions have been posed by the union regarding these services.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on a part-time and intermittent basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

The contract includes a cost-of-living adjustment provision, which is in accordance with your Board's policy approved on January 29, 2002.

ENVIRONMENTAL DOCUMENTATION

In accordance with Section 15378 of the California Environmental Quality Act (CEQA) Guidelines, approval of the recommended action does not constitute a project and, hence, is not subject to the requirements of CEQA.

CONTRACTING PROCESS

On February 14, 2008, Public Works solicited proposals from 95 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's bid website (Attachment B), and an advertisement was placed in the *Los Angeles Times*.

On March 20, 2008, five proposals were received. The proposals were first reviewed to ensure they met the minimum requirements of the RFP. Two proposals were rejected for failing to demonstrate the mandatory minimum requirements. The three proposals meeting the minimum requirements were then evaluated, using the averaging method, by an evaluation committee consisting of staff from Public Works and the County of Los Angeles Chief Information Office. The committee's evaluation was based on criteria described in the RFP, which included price, technical solution, work plan, vendor profile, references, and functional checklist. Based on this evaluation, the highest-rated, responsive, responsible proposer was Advanced Utility Systems, Inc.

After the RFP scoring process was completed, Advanced Utility Systems, Inc., amalgamated with its former parent company, N. Harris. (All of the proposers that met the minimum requirements were affiliates of N. Harris.) N. Harris has submitted all forms, certifications, and other documents required by the RFP. The firm's financials were reviewed by Public Works' audit staff and were determined to be satisfactory, and Public Works has determined that N. Harris is a responsible prospective contractor. N. Harris has agreed to indemnify the County from any bid contest. The proposal submitted by Advanced Utility Systems, Inc., is incorporated in the contract by reference. Therefore, it is recommended that the contract be awarded to N. Harris.

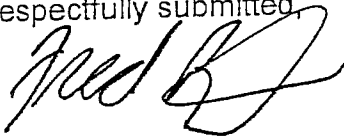
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this contract will not result in the displacement of any County employees.

CONCLUSION

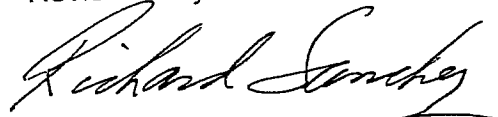
Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,



R GAIL FARBER
Director of Public Works

Reviewed by:



RICHARD SANCHEZ
Acting Chief Information Officer

DDE:GZ:cg

Attachments (2)

c: Chief Executive Office (Lari Sheehan)
County Counsel
Chief Information Office

CIO ANALYSIS

CONTRACT WITH N. HARRIS COMPUTER CORPORATION FOR SOFTWARE LICENSES,
IMPLEMENTATION SERVICES, AND MAINTENANCE AND SUPPORT SERVICES FOR
CUSTOMER INFORMATION SYSTEM FOR WATER BILLING

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☒ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: 74 Months # of Option Yrs: Two optional
5-year maintenance terms

Contract Components:

☒ Software ☒ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Adam Ariki, Assistant Deputy, DPW

Budget Information :

Y-T-D Contract Expenditures	\$ 0
Requested Contract Amount	\$2,750,000
Aggregate Contract Amount	\$2,750,000

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? Auditor-Controller (eCAPS) and Treasurer Tax Collector (Remittance Tracking).

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

The Department of Public Works (DPW) is seeking Board approval of a proposed contract with N. Harris Computer Corporation (N. Harris) to acquire commercial off-the-shelf (COTS) software, ancillary hardware, and related professional services to implement a Comprehensive Customer Information System (CIS). The base term of the contract includes full implementation of the CIS, anticipated over a 14 month period, followed by a five-year maintenance period. DPW is also requesting delegated authority to execute two additional five-year optional maintenance terms.

The base contract amount is \$2,750,000 including all contingencies and projected consumer price index (CPI) increases. If DPW exercises the two additional optional maintenance terms, the maximum contract obligation would increase by an additional \$1,460,000 to \$4,210,000 plus any applicable cost-of-living adjustments.

Background:

The CIS will replace an existing 21-year old mainframe-based Waterworks Billing System that supports customers within the Los Angeles County Waterworks Districts. The CIS implementation includes customer-facing Interactive Voice Response (IVR) services and hardware, and web-based customer services as well as customer service inquiry and bill payment kiosks.

The CIS vendor and COTS software were selected via a competitive Request for Proposal (RFP) process conducted in early 2008. The proposal evaluation committee was comprised of departmental business experts as well as a representative from the Chief Information Office.

When implemented, the CIS will provide enhanced customer services via on-line account inquiry, customer initiated account updates, and electronic payments via Link-2-Gov, the County standard for electronic payments. The planned design of the CIS includes interfaces to the County's eCAPS System for general ledger transactions, the Treasurer Tax Collector (TTC) system for mail remittance tracking, and DPW Materials Management System to support water meter and work order management.

Project Justification/Benefits:

The proposed CIS will meet the customer and waterworks billing needs for at least another five to ten years, replacing an existing legacy mainframe system that is no longer supported by the vendor. In addition to expanding and improving customer services via newer technologies, the Department anticipates a number of improvements to its current business processes, which will yield improved workflows and efficiencies.

Project Metrics:

The CIS implementation is divided into a number of measurable deliverables each designed to ensure appropriate 'gate checks' for project success. The CIS project is based on a fixed priced contract, and as such the County will have incremental value as each deliverable is completed and accepted.

Impact On Service Delivery Or Department Operations; If Proposal Is Not Approved:

The Department can no longer obtain vendor support for the existing mainframe waterworks billing system. Consequently, many of their business processes cannot be changed or improved, and the Department has only limited options for ensuring business continuity during system outages. Additionally, the existing system provides only limited customer-based services.

Alternatives Considered:

The Department's RFP sought business as well as technology solutions from industry experts, and a number of options and approaches were considered during the proposal evaluation process. Based on evaluation of proposals, including price, technical solution, work plan, vendor profiles, references, and functional requirements, Advanced Utility Systems was selected as the highest-rated proposal.

Project Risks:

Based on experience with many similar technology projects, the Department is knowledgeable about potential risks associated with implementation of COTs software, developing interfaces and successfully completing data conversion. From a technology perspective, this project does not present any extraordinary risks outside of those that can be expected.

Beyond the technology risks, during the RFP evaluation process the Department determined that all proposals that met the minimum requirements were affiliates of another company, known as N. Harris. After the RFP scoring process was completed, the selected vendor, Advanced Utility Systems, Inc., amalgamated with its former parent company, N. Harris. Subsequent to the amalgamation, the Department has conducted a review of related issues and the DPW audit staff determined that N. Harris is a responsible prospective contractor.

Risk Mitigation Measures:

The Department's Information Technology Division (ITD) has a systematic process for identifying, analyzing, and responding to project risks, and they routinely incorporate appropriate terms and conditions within their contracts to address these risks. Based on discussion and a review of the Agreement documents, including the Statement of Work and the deliverable-based payment schedule, this office feels confident that appropriate risk mitigation plans are in place.

DPW has also confirmed that County Counsel has reviewed the vendor amalgamation issue and counsel has concurred with the Department's findings that N. Harris is a responsible contractor.

Financial Analysis:

The maximum payment during the initial term of the contract is \$2,750,000, including full implementation, software licensing, and maintenance for a five year period. If DPW exercises the two additional optional maintenance terms, the maximum contract obligation would increase by an additional \$1,460,000 to \$4,210,000 plus any applicable cost-of-living adjustments.

CIO Concerns:

None.

CIO Recommendations:

The Chief Information Office supports this action and recommends Board approval.

CIO APPROVAL

Date Received: 12-17-2008

Prepared by: Janette Parker

Date: 12-23-2008

Approved: 

Date: 2-3-09

AGREEMENT FOR

A COMPREHENSIVE CUSTOMER INFORMATION SYSTEM (CIS) SOLUTION

THIS AGREEMENT FOR THE IMPLEMENTATION OF A COMPREHENSIVE CUSTOMER INFORMATION SYSTEM is made and entered into on _____, 2008, by and between the County of Los Angeles, a subdivision of the State of California, a body corporate and politic (County), and N. HARRIS COMPUTER CORPORATION, a Canadian Corporation (Contractor).

RECITALS

WHEREAS, County desires to employ a contractor to deliver, implement, and integrate a Comprehensive Customer Information System (CIS) solution to provide billing capabilities for the benefit of County's Department of Public Works (Public Works);

WHEREAS, County has determined that County personnel are not available and do not have the expertise to provide the special services required for the design, development, implementation, and integration of the CIS;

WHEREAS, California Government Code Section 31000 permits the County Board of Supervisors to contract for special services with persons specially trained and experienced to perform the services;

WHEREAS, in response to County's Request for Proposals issued with respect to the CIS, Contractor has submitted its proposal to County and desires and is prepared to provide services to County for CIS;

WHEREAS, Contractor is a developer and implementer of CIS and possesses the necessary special skills, knowledge, and technical competence and sufficient staffing to deliver, implement, integrate, develop, and provide all components of CIS;

WHEREAS, Contractor's predecessor, Advanced Utility Systems, Inc., submitted a proposal for the service and was amalgamated with Contractor prior to award of a contract; and

WHEREAS, Contractor has offered to perform the contract in accordance with the Proposal submitted by Advanced Utility Systems, subject to the terms of this Agreement; and

WHEREAS, Contractor is willing to perform the services set forth herein for the compensation and in accordance with the terms and conditions set forth herein; and

WHEREAS, County and Contractor desire to enter into an agreement for the delivery, implementation, and integration of the CIS and associated hardware, if any is required;

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor agree as follows:

1. AGREEMENT AND INTERPRETATION

- 1.1 Agreement. This base document along with Exhibits A through R and any schedules attached hereto or thereto collectively constitute and throughout and hereinafter are referred to as the "Agreement." This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement.
- 1.2 Interpretation. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any Task, subtask, Deliverable, service, Change Order, Billing Dispute, other Work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits according to the following priority:
 - 1.2.1. Exhibit A – Additional Terms and Conditions
 - 1.2.2. Exhibit B – Statement of Work
 - 1.2.3. Exhibit C – Intentionally Omitted
 - 1.2.4. Exhibit D – Intentionally Omitted
 - 1.2.5. Exhibit E – Task/Deliverable Acceptance Certificate
 - 1.2.6. Exhibit F – Contractors Employee Acknowledgement, Confidentiality & Assignment of Rights
 - 1.2.7. Exhibit G – Intentionally Omitted
 - 1.2.8. Exhibit H – Intentionally Omitted
 - 1.2.9. Exhibit I – Intentionally Omitted
 - 1.2.10. Exhibit J – Third Party Software

- 1.2.11. Exhibit K – Document of Existing System
 - 1.2.12. Exhibit L – Map of Service Territory and Office Locations
 - 1.2.13. Exhibit M – Internal Revenue Service Notice 1015
 - 1.2.14. Exhibit N – Safely Surrendered Baby Law Posters
 - 1.2.15. Exhibit O – Items to Track and Report
 - 1.2.16. Exhibit P – Product Interfaces
 - 1.2.17. Exhibit Q – Web Development Standards & Guidelines
 - 1.2.18. Exhibit R – Proposal of Advanced Utility Systems
- 1.3 Additional Terms and Conditions. Without limiting the generality of Paragraph 1.1 (Agreement), attached hereto as Exhibit A (Additional Terms and Conditions), and incorporated by reference herein, are additional terms and conditions to this Agreement. Contractor acknowledges and agrees that it shall be bound by the additional terms and conditions enumerated in such Exhibit as if such terms and conditions were enumerated in the body of this base document.
- 1.4 Construction. The words "herein," "hereof," and "hereunder" and words of similar import used in this Agreement refer to this Agreement, including all annexes, attachments, Exhibits, and Schedules as the context may require. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural. Whenever examples are used in this Agreement with the words "including," "for example," "e.g.," "such as," "etc.," or any derivation of such words, such examples are intended to be illustrative and not limiting.

2. DEFINITIONS

The following terms and phrases in quotation marks and with initial letters capitalized shall have the following specific meaning when used in this Agreement.

- 2.1 "Additional Services" has the meaning set forth in Paragraph 13.4 (Additional Services).
- 2.2 "Agreement" has the meaning set forth in Paragraph 1.1 (Agreement).
- 2.3 "Baseline Software" means Contractor program, as described in Paragraph 14.1. Such Baseline Software is licensed by County pursuant

to this Agreement and is and becomes a component of the System Software.

- 2.4 "Board" means the Los Angeles County Board of Supervisors.
- 2.5 "Change Order" has the meaning set forth in Paragraph 6.2 (Change Order).
- 2.6 "Compatible" or "Compatibility" has the meaning set forth in Paragraph 17 (Minimum System Requirements; Compatibility).
- 2.7 "Contractor Hearing Board" has the meaning set forth in the then current Chapter 2.202.020 of Los Angeles County Code.
- 2.8 "Confidential Information" has the meaning set forth in Paragraph 3.1 of Exhibit A (Additional Terms and Conditions).
- 2.9 "Contractor" shall mean the system provider that is selected as part of the competitive bid process.
- 2.10 "Contractor Key Personnel" has the meaning set forth in Paragraph 4.2.3.
- 2.11 "Contractor-Owned Customizations" means the customizations or modifications to the Baseline Software developed by or on behalf of Contractor specifically for the Work required, and provided as Deliverables, under the Statement of Work. Such Contractor-Owned Customizations are and become a component of the System Software.
- 2.12 "Contractor Project Manager" has the meaning set forth in Paragraph 4.1 (Contractor Project Manager).
- 2.13 "Contractor Technical Staff" has the meaning set forth in Paragraph 4.2.3.
- 2.14 "County" has the meaning set forth in the Recitals.
- 2.15 "County Indemnitees" has the meaning set forth in Paragraph 13.1 (Indemnification) of Exhibit A (Additional Terms and Conditions).
- 2.16 Intentionally omitted.
- 2.17 Intentionally omitted.
- 2.18 "County Project Manager" has the meaning set forth in Paragraph 3.1 (County Project Manager).
- 2.19 "CSSD" has the meaning set forth in Paragraph 29.2 of Exhibit A (Additional Terms and Conditions).

- 2.20 "Custom Programming Modifications" has the meaning set forth in Paragraph 13.4.4.
- 2.21 "Customizations" means Contractor-Owned Customizations.
- 2.22 "Defect, Severity One" means a defect that (i) renders the System Software and any hardware supplied and maintained by Contractor or its suppliers or subcontractors unusable; (ii) results in one or more critical Tasks, which cannot be completed and for which there is no known workaround; (iii) severely hinders the daily work of an entire group; or (iv) causes additional, unforeseen long-term costs to the Los Angeles County Waterworks Districts.
- 2.23 "Defect, Severity Two" means an error that results in the failure of a major function of the System Software application or results in data corruption.
- 2.24 "Deficiency" has the meaning set forth in Paragraph 11 (Deficiencies).
- 2.25 "Deliverable" means an item identified as a numbered Deliverable in the SOW, as well as the Specifications for any System Hardware or other materials to be purchased directly by Contractor
- 2.26 "Deputy Director" means a Deputy Director of the Los Angeles County Department of Public Works.
- 2.27 "Director" means the Director of the Los Angeles County Department of Public Works or his designee.
- 2.28 "Dispute Resolution Procedure" has the meaning set forth in Paragraph 2 (Dispute Resolution Procedure) of Exhibit A (Additional Terms and Conditions).
- 2.29 "Disabling Device" has the meaning set forth in Paragraph 12.7 of Exhibit A (Additional Terms and Conditions).
- 2.30 "Documentation" means any and all written materials, including user manuals, quick-reference guides, FAQs, training materials, testing protocols, methodologies, Specifications, and system designs and system design reviews that support the use and execution of the Integrated System, including the System Software.
- 2.31 "Effective Date" means the date the Agreement is executed by all parties and approved by the Board.
- 2.32 "Final Acceptance" has the meaning set forth in Paragraph 5.2.2 (Final Acceptance).

- 2.33 "Final Acceptance Date" has the meaning set forth in Paragraph 5.2.2 (Final Acceptance).
- 2.34 "Go-Live" has the meaning set forth in Paragraph 5.2.1 (Go-Live).
- 2.35 "Go-Live Date" has the meaning set forth in Paragraph 5.2.1 (Go-Live).
- 2.36 "Holdback Amount" has the meaning set forth in Paragraph 10.7, (Holdbacks/Retentions).
- 2.37 "Hourly Labor Rate" means a fully burdened hourly rate, which includes a blended and allocated average of direct and indirect costs, overhead, administrative expenses, and any other incidental expenses attributable to each personnel hour worked.
- 2.38 "Infringement Claim" or "Infringement Claims" has the meaning set forth in Paragraph 14.1 of Exhibit A (Additional Terms and Conditions).
- 2.39 "Initial Term" has the meaning set forth in Paragraph 7 (Term).
- 2.40 "Integrated System" means Customer Information System (CIS) with Interfaces to existing and proposed County Systems, as required and identified by this Agreement and the Statement of Work, which includes add-on modules, modifications, and interfaces purchased by the County.
- 2.41 "Interfaces" means the software mechanisms, which allow the transfer of electronic data or software commands between computer systems, computer programs, or computer program modules, which are (a) required to be provided by Contractor as Work under the Statement of Work, or (b) requested by County to be provided by Contractor as Additional Services pursuant to Paragraph 6.2 (Change Order) and Paragraph 13.4 (Additional Services), in each case, which Interfaces are and become a component of the System Software.
- 2.42 "Invoice Discrepancy Report" or "IDR" has the meaning set forth in Paragraph 10.5 (Invoice Discrepancy Report).
- 2.43 "Jury Service Program" has the meaning set forth in Paragraph 31.1 (Jury Service Program) of Exhibit A (Additional Terms and Conditions).
- 2.44 "License" has the meaning set forth in Paragraph 14.2 (Ownership; License).
- 2.45 "Maintenance Fee" means the amount charged by Contractor per annum for Maintenance Services provided to the Integrated System, as set forth

on the attached Form PW-2 (Schedule of Prices) and Form PW-2.1 (Detailed Price Sheet).

- 2.46 "Maintenance Services" has the meaning set forth in Paragraph 13 (Maintenance, Support, and Additional Services) and the attached Exhibit D (Maintenance & Support).
- 2.47 "Maximum Contract Sum" has the meaning set forth in Paragraph 8.2 (Prices and Fees).
- 2.48 Intentionally Omitted
- 2.49 "Option Term" has the meaning set forth in Paragraph 7 (Term).
- 2.50 "Pool Dollars" has the meaning set forth in Paragraph 8.3 (Pool Dollars).
- 2.51.1 "Preapproved Subcontractor" has the meaning set forth in Paragraph 1.2 (Procedure for Subcontracting) of Exhibit A (Additional Terms and Conditions).
- 2.52 "Product Stabilization Period" has the meaning set forth in Paragraph 1.8 (Product Stabilization Period) of Exhibit B (Statement of Work).
- 2.53 "Project Status Reports" has the meaning set forth in Paragraph 4.3 (Status Reports by Contractor).
- 2.54 "Source Code" means computer programming code in human readable form that is not suitable for machine execution without the intervening steps of interpretation or compilation, including the tools and developer kits that created and that enable creation of such code.
- 2.55 "Specifications" means the specifications for the Integrated Software as set forth in this Agreement, the SOW, the Documentation and any approved Change Order, including Custom Programming Modifications.
- 2.56 "Statement of Work" or "SOW" means the Statement of Work, attached as Exhibit B (Statement of Work) to this Agreement.
- 2.57 "System Hardware" means any and all hardware that is required for County to enjoy and exercise fully its rights in respect of the Integrated System. System Hardware includes all items listed in Form PW-2.1 (Detailed Price Sheet), Section 1, Server Hardware (no labor).
- 2.58 "System Software" means the Baseline Software, and the computer programs, conceived, acquired, licensed, created, or developed by Contractor in furtherance of all of Contractor's obligations pursuant to this

Agreement, including the application programs, Third Party Software, Customizations, Interfaces, Updates, Custom Programming Modifications, extensions, and components provided from time to time.

- 2.59 "System Software Source Code" means all the Source Code for the System Software.
- 2.60 "Task/Deliverable Acceptance Certificate" means the certificate attached hereto as Exhibit E (Task/Deliverable Acceptance Certificate) issued by County upon Contractor's satisfactory completion of the applicable Tasks, subtasks, Deliverables and services in accordance with the requirements, Specifications, and timetables set forth in the Statement of Work.
- 2.61 "Tasks" means one or more major areas of work to be performed under this Agreement and identified as a numbered Task in the SOW.
- 2.62 "Tax" and "Taxes" means governmental fees (including license, filing, and registration fees) and all taxes (including franchise, excise, stamp, value added, income, gross receipts, gross revenue, import, export, sales, use, transfer, and property taxes) withholdings, assessments, levies, imposts, duties, charges, or interest thereon imposed.
- 2.63 "Term" has the meaning set forth in Paragraph 7 (Term).
- 2.64 "Third Party Software" has the meaning set forth in Paragraph 16 (Third Party Software).
- 2.65 "Updates" has the meaning set forth in Paragraph 13 (Maintenance, Support, and Additional Services).
- 2.66 "Warranty Period" has the meaning set forth in Paragraph 12.2.
- 2.67 "Work" means any and all Tasks, subtasks, Deliverables, Custom Programming Modifications, Additional Services and other items, materials and services performed, or delivered, by or on behalf of Contractor in order to develop and deliver to County an Integrated System, including the work required pursuant to this Agreement, the SOW, all the Exhibits, Change Orders, and amendments hereto.

3. ADMINISTRATION OF AGREEMENT – County

3.1 County Project Manager

3.1.1 County Project Manager for this Agreement shall be the following person:

County of Los Angeles Department of Public Works
Waterworks Division
Attention Mr. Greg Even
P.O. Box 1460
Alhambra, CA 91802-1460

Telephone: (626) 300-3331
Fax: (626) 300-3385
E-mail: geven@dpw.lacounty.gov

- 3.1.2 County shall notify Contractor in writing of any change in the name or address of County Project Manager within fourteen (14) days of such change.
- 3.1.3 County Project Manager shall be a resource for addressing the technical standards and requirements of this Agreement.
- 3.1.4 County Project Manager shall interface with Contractor Project Manager on a regular basis.
- 3.1.5 County Project Manager shall have the right at all times to inspect any and all Work provided by or on behalf of Contractor.
- 3.1.6 Except as set forth in Paragraph 6 (Change Notices and Amendments), County Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

3.2 County Personnel

All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County.

4. **ADMINISTRATION OF AGREEMENT – Contractor**

4.1 Contractor Project Manager

- 4.1.1 The Contractor Project Manager shall be the following person who shall be a full-time employee of Contractor:

Name: Joe Testa
2235 Sheppard Avenue East, Suite 1400
Toronto, Ontario, Canada
M2J 5B5

Telephone: 586-746-9730
Fax: 416-496-3910
Email: jtesta@advancedutility.com

- 4.1.2 Contractor Project Manager shall be responsible for Contractor's day-to-day activities as related to this Agreement and for reporting to County in the manner set forth in Paragraph 4.3 (Status Reports by Contractor).
- 4.1.3 From the Effective Date through the Final Acceptance Date, Contractor Project Manager shall be available to meet and confer as necessary, but no less frequently than weekly, in person or by phone, with County Project Manager; thereafter, Contractor Project Manager shall be available to meet and confer with County Project Manager on such schedule as may be reasonably requested by County Project Manager as County Project Manager shall determine in his or her discretion.
- 4.1.4 Contractor Project Manager shall be responsible for Contractor's performance of all of the Work and ensuring Contractor's compliance with this Agreement.

4.2 Approval of Contractor's Staff

- 4.2.1 In fulfillment of its responsibilities under this Agreement, Contractor shall utilize and permit utilization of, only staff fully trained and experienced, and as appropriate, licensed or certified in the technology, trades, Tasks, and subtasks required by this Agreement. Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner.
- 4.2.2 County approves the proposed Contractor Project Manager listed in Paragraph 4.1.1. County Project Manager has the right to approve or disapprove any proposed replacements for the person set forth in Paragraph 4.1.1 as Contractor Project Manager. If Contractor desires to replace, or if County, at its discretion, requires removal of Contractor Project Manager, Contractor shall provide County with a resume of such proposed replacement and an opportunity to interview such proposed replacement prior to the proposed replacement performing any Work hereunder. County shall not

unreasonably delay its approval of a replacement Contractor Project Manager.

- 4.2.3 Contractor shall endeavor to assure continuity during the Term of Contractor personnel performing key functions under this Agreement, collectively, "Contractor Technical Staff," and together with Contractor Project Manager, the "Contractor Key Personnel." Notwithstanding the foregoing, County Project Manager may require removal of any Contractor Technical Staff.
- 4.2.4 In the event Contractor should desire to remove any Contractor Key Personnel from performing Work under this Agreement, Contractor shall provide County with notice at least (15) days in advance, except in circumstances in which such notice is not possible such as a removal for cause, unexpected resignation of Contractor Key Personnel, or other urgent situation, and shall work with County on a mutually agreeable transition plan so as to ensure project continuity, especially during any period prior to the Final Acceptance Date.
- 4.2.5 Contractor shall promptly fill any vacancy in Contractor Key Personnel with individuals having qualifications at least equivalent to those of Contractor Key Personnel being replaced.
- 4.2.6 All staff employed by and on behalf of Contractor shall be adults who are legally eligible to work under the laws of the United States of America and the state of California. All Contractor Key Personnel and all other members of Contractor's staff who have direct contact with County (either by telephone, electronic or written correspondence, or in person) shall be fully fluent in both spoken and written English.

4.3 Status Reports by Contractor

In order to control expenditures and to ensure the reporting of all Tasks, subtasks, Deliverables, services, and other Work provided by Contractor, Contractor Project Manager shall provide County Project Manager with monthly written reports (Project Status Reports), which shall include, but not be limited to, the following information:

- 4.3.1 Period covered by the report.
- 4.3.2 Summary of project status as of reporting date.
- 4.3.3 Tasks, subtasks, deliverables, goods, services, and other work scheduled for the reporting period which were not completed.

- 4.3.4 Tasks, subtasks, deliverables, goods, services, and other work for the reporting period which were completed.
- 4.3.5 Tasks, subtasks, deliverables, goods, services, and other work completed in the reporting period which were not scheduled.
- 4.3.6 Tasks, subtasks, deliverables, goods, services, and other work to be completed in the next reporting period.
- 4.3.7 Issues to be resolved.
- 4.3.8 A list of outstanding issues and draft documents and a current status of those documents.

5. WORK; APPROVAL AND ACCEPTANCE

5.1 General

All Tasks, Subtasks, Deliverables, including final Documentation, items, services, and other Work provided by Contractor, including Additional Services utilizing Pool Dollars must be prepared and provided solely as specified under this Agreement and must receive the written approval of County Project Manager in order to qualify for payment. Subject in all instances to any Holdback Amounts, County shall pay Contractor in accordance with Form PW-13, Schedule of Tasks and Payments, upon completion of particular Tasks, including all applicable subtasks, Deliverables, services, and other Work to be provided by Contractor pursuant to this Agreement, including the Statement of Work and any executed Change Order. Contractor shall submit a Task/Deliverable Acceptance Certificate in the form attached as Exhibit E (Task/Deliverable Acceptance Certificate) to County Project Manager, together with any supporting documentation reasonably requested by County, for County Project Manager's written approval.

Unless a shorter or longer time period is specified in respect of a particular Task or Deliverable, County Project Manager shall endeavor reasonably to approve or disapprove each Task or Deliverables within thirty (30) days of Contractor submitting an applicable Task/Deliverable Acceptance Certificate. Contractor acknowledges that notwithstanding anything herein to the contrary it must complete all Work required to complete and deliver to County an Integrated System. All Work shall be completed in a timely manner and in accordance with the requirements and Specifications set forth in the Statement of Work, and must have the written approval of County Project Manager, as evidenced by County Project Manager's countersignature to the applicable Task/Deliverable Acceptance Certificate. In no event shall County be liable or responsible for payment

respecting a particular Task prior to execution of the Task/Deliverable Acceptance Certificate for such Task.

5.1.1 Optional Work. Notwithstanding the provisions of this Paragraph 5 (Work; Approval and Acceptance), "Optional Work" is an optional Task, and Contractor shall not commence Work on such Task unless and until County and Contractor mutually agree in writing that Contractor shall proceed with such Work. If County Project Manager believes in good faith that such Work can be performed and provided for less than the amount set forth for such Task under Form PW-2 (Schedule of Prices) and Form PW-2.1 (Detailed Price Sheet), County is entitled to request, and the parties thereafter shall negotiate reasonably and in good faith, the fixed price payable for such Work. In no event, however, shall County be obligated to pay more for such Work than the amount originally agreed upon under this Agreement.

5.2 Specific Approval and Acceptance

5.2.1 Contractor shall achieve "Go-Live" upon occurrence of all of the following: (a) its successful completion and delivery of Tasks 2 through 12 and all related deliverables and written County approval of all such Work, as evidenced by County Project Manager's countersignature on all applicable Task/Deliverable Acceptance Certificates; and (b) successful delivery and completion of all events, subtasks, and deliverables identified in Task 13 and the Project Schedule that precede the date when the live production CIS system is handling all real-time transactions and operations and the existing legacy system is shut down. Such occurrence shall be referred to as the "Go-Live Date."

5.2.2 County Project Manager and Contractor Project Manager may agree in writing to a list of issues that arise during performance of Task 13 that shall be resolved to the County Project Manager's satisfaction after the "Go-Live Date" and before conclusion of the Product Stabilization Period. Payment for Task 13 shall become due (subject to applicable withhold) only upon County Project Manager's acceptance of the Task 13 subtasks and deliverables, County Project Manager's acceptance of corrections specified in the foregoing list of issues, and conclusion of the Product Stabilization period and any extension(s).

5.2.3 Final Acceptance. Contractor shall achieve Final Acceptance upon successful completion of all the following: (a) its completion and delivery of all Tasks, subtasks, Deliverables, services, and testing

protocols associated with the Final Acceptance requirements set forth in the Statement of Work; (b) successful implementation of all functions and features of all phases and successful achievement of all testing protocols has been verified by Contractor; (c) all Product Severity One and Severity Two Defects have been successfully resolved to the satisfaction of the County Project Manager, or designee, for a period of at least thirty (30) consecutive days; (d) successful completion, to the County Project Manager's, or designee's, satisfaction, of the Product Stabilization Period for a minimum of one hundred twenty (120) days, to be extended, if needed at the County Project Manager's, or designee's, discretion; and (e) County Project Manager has provided Contractor with written approval, as evidenced by County Project Manager's countersignature on the applicable Task/Deliverable Acceptance Certificate, of Contractor's achievement of Final Acceptance (the date of satisfaction of the foregoing, including written approval thereof shall be referred to as the Final Acceptance Date).

6. CHANGE NOTICES AND AMENDMENTS

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or conditions of this Agreement, except through the procedures set forth in this Paragraph 6.

6.1 General. County reserves the right to change any portion of the Work required under this Agreement, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished in the following manner:

6.1.1 For any change which does not materially affect the Statement of Work, period of performance, payments, or any other term or condition included under this Agreement, a Change Order shall be executed by both County Project Manager and Contractor Project Manager.

6.1.2 Without limiting Paragraph 6, for any (a) Additional Services, or (b) any other change related solely to the Statement of Work, period of performance, or schedule or amount of payments, and provided such Additional Services or change is to be effected through the use of, and will not exceed, the available Pool Dollars, then in either instance a Change Order shall be mutually agreed upon and executed by both the Director and Contractor Project Manager.

6.1.3 For any change (a) that materially affects any term or condition in this Agreement, or (b) the cost for which would exceed the Pool Dollars, then a negotiated amendment to this Agreement shall be executed by the Board and Contractor, or if delegated by the Board, by the Director and Contractor.

6.1.4 Notwithstanding any other provision of this Paragraph or Paragraph 6 (Termination for Convenience; Suspension) of Exhibit A (Additional Terms and Conditions), the Director shall take all appropriate action to carry out any orders of the Board relating to this Agreement, and, for this purpose, the Director is authorized to: (i) issue written notice(s) of suspension of this Agreement pursuant to Paragraph 6 (Termination for Convenience; Suspension) of Exhibit A (Additional Terms and Conditions) without further action by the Board, and/or (ii) prepare and sign Amendments to this Agreement which reduce the Statement of Work and the Maximum Contract without further action by the Board.

(i) Such notices of partial or total termination shall be authorized under the following conditions:

(A) Director shall obtain approval of Board and County Counsel for any notice.

(ii) Such amendments shall be authorized under the following conditions:

(A) Director shall obtain approval of County Counsel for any notice.

(iii) Director shall file a copy of all amendments with the Executive Office of the Board within fifteen (15) days after execution of each amendment.

6.1.5 Notwithstanding any other provision of this Paragraph 6 (Change Notices and Amendments), to the extent that extensions of time for Contractor performance do not impact either the scope of Work or cost of this Agreement, County Project Manager, in its discretion, may grant Contractor extensions of time in writing for the Work listed in the SOW or otherwise in this Agreement provided such extensions shall not cause Contractor to fail to achieve Go-Live and Final Acceptance by the dates required therefore, or extend the Term of this Agreement.

6.2 Change Order. Any "Change Order" proposed or executed by the parties shall include, unless waived in writing by County Project Manager:

- 6.2.1 A quotation of a "not to exceed" price for completion and delivery of the requested Work, including a proposed Task and Deliverable completion schedule and a monthly budget of anticipated expenditures (including labor expenses calculated using the Hourly Labor Rates for personnel time);
 - 6.2.2 An accounting of the cost savings to be realized by County from the nonperformance of any Work that is to be supplanted by the Work to be performed under the Change Order;
 - 6.2.3 Contractor staff level recommended for completion of the applicable Work;
 - 6.2.4 An estimated personnel hours for completion of the requested Work;
 - 6.2.5 To the extent Custom Programming Modifications are requested, functional System Software Specifications;
 - 6.2.6 Final delivery date for completed Work, including any postdelivery acceptance period as may be applicable;
 - 6.2.7 If applicable, a revised Task and Deliverable completion schedule under the SOW for the remaining Work (*i.e.*, other than the Work requested under the Change Order);
 - 6.2.8 A description of and Contractor's cost of any applicable hardware, third-party software, or other materials required to complete the requested Work; and
- 6.3 Duration of Contractor's Change Order Price Quotation. Contractor's quotations under the proposed Change Order, including the "not-to-exceed price" under Paragraph 6.2.1, shall be valid for ninety (90) days from the date of its submission.
- 6.4 Change Order Dispute Resolution. In the event the parties fail to agree on the amount to be paid by County for the Work requested pursuant to a Change Order, County may, upon notice to Contractor, elect to direct Contractor to commence performing such Work (and Contractor agrees to commence performing such Work) and resolve the dispute over amounts owed to Contractor in accordance with the Dispute Resolution Procedure of Exhibit A, Section 2. To give effect to the preceding sentence; however, County agrees to pay and will pay the undisputed portion of such fees in accordance with the procedures set forth in Paragraph 5.1 (General) and Paragraph 10 (Invoices and Payments).

- 6.5 Change Order Audit. County is entitled to audit, in accordance with Paragraph 39 (Records and Audits) of Exhibit A (Additional Terms and Conditions), Contractor's compliance with Paragraph 6.2 (Change Order) in respect of Work performed pursuant to a Change Order.

7. TERM

The term of this Agreement shall commence upon the Effective Date and shall continue until the date that is five (5) years from the "Go-Live" Date, unless terminated earlier in whole or in part, as provided in this Agreement (the "Initial Term"). County, has the option, upon notice to Contractor no later than fifteen (15) days prior to the end of the then current period of the Term, to extend this Agreement for two (2) additional five (5) year periods (each an "Option Term"), which additional periods shall not, in total, exceed ten (10) additional years. Contractor shall notify County Project Manager when the Initial Term, or when each Option Term, as the case may be, is within six (6) months from the expiration, as provided for in this Paragraph 7. As used herein, the "Term" shall mean the Initial Term, and if extended, each Option Term, as the case may be.

8. PRICES AND FEES

- 8.1 General. Attached to this Agreement as Form PW-2 (Schedule of Prices) and Form PW-2.1 (Detailed Price Sheet), is a schedule of all fees applicable to this Agreement, along with a Schedule of Tasks and Payments, Form PW-13, for completion of Work beginning on the Effective Date and continuing through the Term.
- 8.2 Maximum Contract Sum. The "Maximum Contract Sum" under this Agreement shall be the total monetary amount that would be payable by County to Contractor for supplying the Integrated System and all Work, including the System Software and Pool Dollars under this Agreement for the Term or otherwise approved by the Board. The Maximum Contract Sum for this Agreement, including applicable Taxes, authorized by County hereunder shall in no event, expressly or by implication, exceed the amount set forth in Form PW-2 (Schedule of Prices), and Form PW-2.1 (Detailed Price Sheet) or otherwise approved by the Board and shall be allocated as set forth in Form PW-2 (Schedule of Prices) and Form PW-2.1 (Detailed Price Sheet) which allocation shall include an itemization of the amount to be paid for: (a) license fee for the System Software; (b) Customizations, if applicable; (c) Interfaces, if applicable; (d) System Software implementation; (e) Maintenance Fees; (f) applicable Taxes; (g) Pool Dollars; (h) applicable Hourly Labor Rates. Contractor shall perform and complete all Work required of Contractor by this Agreement in exchange for the amounts to be paid to Contractor as set forth in this Agreement but in any event, not in excess of the Maximum

Contract Sum. Contractor acknowledges and agrees that the Maximum Contract Sum is an all-inclusive, not-to-exceed price, that is an agreed upon assessment of the amount to be paid by County to Contractor in exchange for Contractor delivering to County, and County accepting, within the required delivery schedule an Integrated System. Contractor further acknowledges that the Specifications set forth in the Statement of Work are functional Specifications and that it is Contractor's responsibility to design, achieve and timely deliver an Integrated System. Notwithstanding any provision of this Agreement to the contrary, Contractor is not obligated to perform Work under Change Orders if Pool Dollars are not available to pay for such Work.

8.3 Pool Dollars. Form PW-2 (Schedule of Prices) includes the aggregate pool dollars available for Change Orders or for the purchase by County of Additional Services in accordance with Paragraph 13.4 (Additional Services) (collectively, "Pool Dollars"). Contractor acknowledges that, as of the Effective Date, no Change Orders have been executed and no Additional Services have been requested by County.

8.4 Adjustments to Maintenance Fee. The Director may adjust the Maintenance Fee compensation set forth in Form PW-2 (Schedule of Prices) annually starting 12 months after the "Go-Live" date, including each year of the Option Term(s), if any, based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index for the Los Angeles-Riverside-Orange County Area (CPI) for the twelve (12)-month period preceding the "Go-Live" anniversary date, which shall be the effective date for any such cost-of-living adjustment. The percentage change in the rate of compensation shall equal twelve (12) times the average monthly change in the CPI over the first nine months of the annual maintenance period preceding the effective date. However, any percentage increase shall not exceed the general salary movement granted to COUNTY employees as determined by the COUNTY'S Chief Executive Office as of July 1 for the prior twelve (12)-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost-of-living adjustment will be granted.

8.5 Delivery of System Software; Taxes.

8.5.1 Contractor agrees that all System Software and Documentation, including all Updates, Custom Programming Modifications, and any items or materials provided under Maintenance Services, shall be delivered (a) in electronic form (e-mail for documentation and FTP download for software updates), or (b) tangible media (CD-ROM).

8.5.2 County acknowledges that the amounts payable by County to Contractor under this Agreement, including for Maintenance Services, do not include Taxes for products or services provided by Contractor hereunder. County shall be solely responsible for any Taxes, other than Taxes based on Contractor's income or gross revenue, properly charged or assessed on amounts payable thereunder by County to Contractor, except that Contractor acknowledges that it is responsible for any Tax liability arising as a result of Contractor's breach of any obligations under this Agreement, including this Paragraph 8.5 (Delivery of System Software; Taxes).

9. COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

Notwithstanding any other provision of this Agreement, either expressly or by implication, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until County's Board appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated and such termination shall be deemed a termination for convenience pursuant to Paragraph 6 (Termination for Convenience) of Exhibit A (Additional Terms and Conditions). County shall endeavor to notify Contractor in writing of any such nonappropriation of funds at the earliest possible date.

10. INVOICES AND PAYMENTS

10.1 Approval of Invoices. All invoices submitted by Contractor for payment must have the written approval of County Project Manager, as evidenced by County Project Manager's countersignature to the applicable Task/Deliverable Acceptance Certificate, prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval.

10.2 Submission of Invoices. Contractor shall invoice County upon completion of Tasks, subtasks, Deliverables, and services and other Work which are specified in this Agreement, Exhibit B (Statement of Work), Form PW-2 (Schedule of Prices), Form PW-2.1 (Detailed Price Sheet), Form PW-13 (Schedule of Tasks) and any Change Orders, as applicable, and which have been approved in writing by County pursuant to Paragraph 5 (Work; Approval and Acceptance). With regard to Maintenance Services provided to County pursuant to Paragraph 13 (Maintenance, Support, and Additional Services), and Form PW-13 (Schedule of Tasks), Contractor shall invoice County the amount of the Maintenance Fee, on an annual

basis in arrears, starting from the Final Acceptance Date. Except with regard to Documentation Deliverables which are titled "draft" in Exhibit B (Statement of Work), which shall be invoiced as described in Paragraph 5.1 (General), Contractor agrees not to submit any invoice for payment until County has approved in writing the Work for which payment is claimed. County will endeavor reasonably to process each invoice received from Contractor within thirty (30) days. All invoices and supporting documents under this Agreement shall be submitted in duplicate to the following address:

County of Los Angeles Department of Public Works
Fiscal Division, 7th Floor
Accounts Payable Section
P.O. Box 7508
Alhambra, CA 91803-7508

10.3 Detail. Each invoice submitted by Contractor shall include:

10.3.1 The Tasks, subtasks, Deliverables, services, or other Work as described in Exhibit B (Statement of Work), Form PW-2 (Schedule of Prices), Form PW-2.1 (Detailed Price Sheet), Form PW-13 (Schedule of Tasks and Payments), or any Change Order, as applicable, for which payment is claimed.

10.3.2 A copy of all applicable Task/Deliverable Acceptance Certificates.

10.3.3 If the invoice is for Additional Services or any other Work for which Pool Dollars will be utilized, a copy of the applicable Change Order, executed by the applicable representative of County, a copy of the Task/Deliverable Acceptance Certificate evidencing County's approval of such Work, and any additional supporting documentation reasonably requested by County. The invoice further shall include the cumulative amount of Pool Dollars charged to County to date, and the remaining Pool Dollars available for use in connection with future Additional Services or other Change Orders.

10.3.4 Indication of the applicable Holdback Amount and the cumulative Holdback Amount accrued under the Agreement.

10.3.5 Indication of any applicable withholds under the terms of this Agreement or reversals thereof.

10.4 No Partial or Progress Payments. Contractor shall be entitled to payment in respect of a Task or Deliverable, or other Work, only upon successful completion by Contractor and approval by County of such Task or

Deliverable, or other Work. Except with regard to Documentation Deliverables which are titled "draft" in Exhibit B (Statement of Work), which shall be invoiced as described in Paragraph 5.1 (General), and Maintenance Services provided to County pursuant to Paragraph 13 (Maintenance, Support, and Additional Services), which shall be invoiced as described in Paragraph 10.2 (Submission of Invoices), no partial or progress payments towards anticipated or substantial completion of Tasks or Deliverables, or other Work, will be made under this Agreement.

- 10.5 Invoice Discrepancy Report. County Project Manager or County Project Manager's designee shall review all invoices for any discrepancies and provide an "Invoice Discrepancy Report" (or "IDR"), in writing, to Contractor with best effort within fifteen (15) days of receipt of invoice if payment amounts are disputed. Contractor shall review the disputed charges and issue a corrected invoice or send a written explanation detailing the basis for the charges within ten (10) days of receipt of the IDR from County Project Manager or County Project Manager's designee. If County Project Manager or County Project Manager's designee does not receive a written response within ten (10) days of County's notice to Contractor of an IDR, then County payment will be made, less the disputed charges.
- 10.6 County's Right to Withhold. In addition to any rights of County provided in this Agreement, or at law or in equity, County may, upon notice to Contractor, withhold payment for any Work while Contractor is in default hereunder, or at any time that Contractor has not provided County approved Work.
- 10.7 Holdbacks/Retention. County will retain seventeen percent (17%) of the amount of each invoice approved by County pursuant to Paragraph 10 (Invoices and Payments) and ten percent (10%) of the amount of each invoice for Additional Services approved by County under Paragraph 13.4 (Additional Services) (collectively, the "Holdback Amount"). Ten seventeenths (10/17) percent of the cumulative amount of such retentions shall be due and payable to Contractor upon thirty (30) days after Final Acceptance Date and seven seventeenths (7/17) percent shall be due and payable upon Go-Live, subject to adjustment for any amounts arising under this Agreement owed to County by Contractor, including, but not limited to, any amounts arising from Paragraphs 10.5 (Invoice Discrepancy Report) and any partial termination of any Task, Subtask or Deliverable set forth in the Statement of Work as provided hereunder.
- 10.8 Pass Through Reimbursement. The Contractor shall provide the County Project Manager, or designee, with a cost estimate of the hardware required to implement and operate the CIS. The County Project Manager,

or designee, in his or her sole discretion, may approve or disapprove the Contractor's cost estimate based on the cost when compared to the industry accepted rates for similar hardware. The County, in its sole discretion, will determine the necessity of hardware and the Contractor shall obtain the County Project Manager's written approval prior to purchase of any hardware. The County will pay the Contractor upon receipt of an invoice for each hardware purchase.

- 10.9 Option Terms. The Contractor shall be paid based on rates indicated in Paragraph 8.4 as approved by County Project Manager.

11. DEFICIENCIES

Deficiencies. As used herein, the term "Deficiency" shall mean and include, as applicable to any Work provided by or on behalf of Contractor to County: any malfunction, error, or defect in the design, development, or implementation of Work; any error or omission, or deviation from the Specifications or mutually agreed upon industry standards, or any other malfunction or error including the provision of negligent workmanship, which results in the Integrated System, in whole or in part, not performing in accordance with the provisions of this Agreement, including the SOW, as determined by County Project Manager.

12. REPRESENTATIONS AND WARRANTIES

- 12.1 Contractor hereby represents, warrants and covenants to County that for the Term, the System Software shall be fully Compatible with and shall fully integrate, perform, and function with the System Hardware and the operating system software that conform to the specifications set forth in Exhibit B (Statement of Work), Form PW-16 (Technical Requirements), Form PW-17 (Functional Checklist), and the Contractor's Proposal.
- 12.2 As used in the Agreement, the "Hardware Warranty Period" means the period commencing on the Go-Live date, AND Contractor hereby represents, warrants and covenants to County that for the Hardware Warranty Period:

The Contractor shall transfer all third-party hardware and equipment warranties to the County prior to Final Acceptance and that the County shall be named as beneficiary in all warranty agreements. The "Hardware Warranty Period" will be negotiated with the Contractor and third-party hardware providers, if the County decides to purchase the hardware through the Contractor.

13. MAINTENANCE, SUPPORT, AND ADDITIONAL SERVICES

13.1 Maintenance Services. Contractor shall provide any and all support and maintenance services necessary to correct each Deficiency occurring from time to time with respect to the CIS software application (collectively, "Maintenance Services") to County for the Integrated System in accordance with this Agreement, beginning from the Go-Live Date. Without limiting the foregoing and in addition to the other terms of the Agreement, the following shall apply to Contractor's performance of Maintenance Services:

13.1.1 The County Project Manager or designee may submit a request for Maintenance Services in person or via telephone, pager, facsimile, mail, e-mail, or any other reasonable means.

13.1.2 Contractor may provide, whenever possible, Maintenance Services from Contractor's business premises. The hours of support will be available to the County twenty-four (24) hours a day, seven (7) days a week.

13.1.3 Contractor shall maintain a log of all Deficiencies reported by the County or otherwise discovered by Contractor, together with a brief description of the resolution of such Deficiency. Promptly after resolution of each Deficiency, to the extent known or reasonably knowable, Contractor shall provide the County with a description of the cause of such Deficiency, together with avoidance procedures for such Deficiency.

13.1.4 The County shall endeavor reasonably to provide Contractor with information and assistance necessary to detect, simulate, reproduce, and correct Deficiencies, but regardless of the level of assistance provided by the County, the Contractor, solely, is responsible for the timely correction of Deficiencies.

13.1.5 Contractor shall provide fixes and Updates to the software application that have been tested and validated. The County will test and load the fixes and Updates to the production system. Contractor shall also deliver revised Documentation to reflect the fixes and Updates. The fixes and Updates will remedy Deficiencies such that the system operates in accordance with requirements and specifications, and shall not cause other areas or features of the system to become deficient. Deficiency shall be deemed remedied when all the above have occurred and approved in writing by the County Project Manager, or designee.

13.1.6 Intentionally Omitted

13.1.7 Maintenance shall be provided throughout the Contract Term and will be paid based on rates in Paragraph 8.4 on an annual basis, starting on the date of Go-Live. The Initial Term of this Agreement includes five (5) years of maintenance, with two (2) additional Option Terms of five (5) years each, totaling fifteen (15) years of maintenance for the Initial Term and Option Terms, if fully exercised.

13.1.8 If Contractor phases out, retires, or discontinues support of the software product during the Initial Term, Contractor shall bear the full cost of converting and implementing an equivalent replacement software at no charge to the County with no lapse in service. Contractor will pay all expenses related to such conversion and implementation including, but not limited to, hardware, upgrades, data conversion, process analysis, and professional services to move the County onto the new software product. Contractor shall provide maintenance and support of the new product following implementation or may subcontract maintenance and support to a vendor approved by the County.

13.1.9 On-site Maintenance Services shall be provided by Contractor at the reasonable request of the County. Contractor's costs for travel and other out of pocket expenses must be approved by the County prior to any onsite visit by Contractor.

13.2 Correction of Deficiencies.

13.2.1 Maintenance Services include the correction of any and all Deficiencies that occur during and after Final Acceptance (not including, however, any Defect Severity 1 or Defect Severity 2). Correction of such Deficiencies shall be at no additional cost to County beyond the Maintenance Fee. If any component of the Integrated System requires Maintenance Services, Contractor shall endeavor reasonably to provide such services at County's location (which may include the provision of such services remotely by Contractor).

13.2.2 Corrective Measures. County Project Manager shall notify Contractor Project Manager in writing, or if not practicable, orally to Contractor Project Manager, of any Deficiency. Upon the earlier of (a) notice (orally or in writing) from County, or (b) Contractor's discovery of such Deficiency, Contractor shall promptly commence corrective measures to remedy any Deficiency, and shall remedy such Deficiency, in accordance with the timeline set forth in Form PW-13 (Schedule of Tasks).

13.2.3 Contractor acknowledges that, as part of Maintenance Services provided to County, Contractor may be required to repair, replace or reinstall all or any part of the System Software, System Hardware (to the extent such hardware fails to achieve Compatibility with the Integrated System), or other material, or create an Update, in order to remedy a Deficiency.

13.2.4 Approval. No Deficiency shall be deemed remedied until all necessary remedial action has been completed and approved in writing by County Project Manager in accordance with the procedures set forth in Paragraph 5.1 (General).

13.2.5 Correction of Defect, Severity One. The Contractor must respond within two (2) hours and these defects must be resolved within 24 hours or within a timeline submitted in writing and approved by the County.

13.2.6 Correction of Defect, Severity Two. The Contractor must respond within two (2) hours and this defect must be resolved within 48 hours or within a timeline submitted in writing and approved by the County.

13.3 Updates. Maintenance Services include Updates. Updates include, but are not limited to: (i) any upgrades, updates, enhancements, revisions, improvements, bug fixes, patches, and modifications, other than Custom Programming Modifications, to the System Software, (ii) any testing or modifications as may be necessary to maintain System Software functionality, including as modified by any Updates, with the current version release of operating software and System Hardware that are utilized by County as of the Effective Date, and (iii) any updates or modifications required during the Term in order for the System Software and the Integrated System to remain in compliance with applicable federal or state laws and regulations, Updates described in (iii) shall be provided by Contractor to County at the most favorable price offered any of Contractor's customers for such Updates. Any Update delivered by Contractor to County is deemed a part of the System Software and shall be included in the License granted to County pursuant to this Agreement.

Should a change in California law require a modification of the System Software, County will pay Contractor a share of the Contractor's time and materials cost of making the modification. The County's share shall be equal to the Contractor's cost, divided by the number of user licenses held by all of the Contractor's customers in California, multiplied by the number of user licenses held by the County. Should a change in federal law require a modification of the System Software, Contractor will bear the

cost of the modification. Should a change in County ordinances require a modification of the System Software, County will bear the Contractor's time and materials cost of making the modification.

13.4 Additional Services.

13.4.1 Subject to Paragraph 6 (Change Notices and Amendments), upon the written request of County Project Manager made at any time and from time to time during the Term, Contractor shall provide to County "Additional Services," such as customizations or modifications to the System Software that are requested by County Project Manager in order to create new functionality and customizations or modifications not required of Contractor in Exhibit B (Statement of Work) in order to deliver the Integrated System or included as part of Maintenance Services (such custom programming is collectively referred to as "Custom Programming Modifications"). Additional Services may also include additional or refresher training. Additional Services shall utilize available Pool Dollars under this Agreement, and in no event shall County be obligated to pay in excess of the then available Pool Dollars for Additional Services, nor shall Contractor be required to perform any Additional Services for which there are no Pool Dollars available to pay Contractor for such Additional Services.

13.4.2 Additional Services, including Custom Programming Modifications, shall be treated by the parties as a change requiring the execution of a Change Order pursuant to Paragraph 6 (Change Notices and Amendments).

13.4.3 Upon County's request for Additional Services, Contractor shall provide County, within seven (7) days of receipt of such request, a proposed Change Order containing all the information requested under Paragraph 6.2 (Change Order). Approval of the Change Order and of the Work to be performed there under shall be in accordance with Paragraph 6 (Change Notices and Amendments).

13.4.4 Upon completion, delivery and acceptance by County of any Custom Programming Modifications, such Custom Programming Modifications shall become part of and be included in System Software.

14. **OWNERSHIP; LICENSE**

14.1 Ownership. The Baseline Software, Interfaces and Contractor-Owned Customizations provided to County pursuant to this Agreement, other than Third Party Software, shall remain the property of Contractor, and all such

Baseline Software, Interfaces and Contractor-Owned Customizations are subject to the License granted to County pursuant to this Paragraph 14 (Ownership; License). Any code that is created and/or produced by the Contractor shall be owned, maintained, and updated by the Contractor.

14.2 License. Subject to Paragraph 14.1 (Ownership), Contractor grants to County, effective as of the Effective Date, a perpetual, nonexclusive license in respect of Contractor's interest in the System Software (the "License"):

14.2.1 To use, install, integrate with other software, operate, and execute the System Software on Public Works networks, servers and PC's by an unlimited number of users, except that the use, operation, and execution of certain Third-Party Software shall be subject to limitations on the number of concurrent users as set forth in Paragraph 16 (Third-Party Software).

14.2.2 To permit agencies or cities to access, use, and conduct transactions with County using the System Software, or otherwise as may be necessary for the conduct by County, and more specifically the Department, of its business; using web interface – customer self help, on-line bill pay, and usage inquiry.

14.2.3 To archive and make sufficient numbers of copies of the System Software as is necessary for County to enjoy and exercise fully its rights under this License and this Agreement.

14.2.4 To use, modify, copy, and display the Documentation, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Agreement and the License.

14.2.5 To permit third-party access to the System Software, the Documentation, the System Software Source Code, or any part thereof, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Agreement and the License, including for the provision of Maintenance Services, Additional Services or other support of the System Software; provided, however, without limiting County's rights pursuant to Paragraph 14.2.2 or Paragraph 14.2.5, County covenants and agrees that it shall not exercise any of the rights contained in this Paragraph 14.2.6 unless and until the occurrence of any act that causes or results in, or entitles County to, a release of the Source Code from escrow pursuant to Paragraph 15 (Source Code).

14.3 Fully-Paid Software License. Notwithstanding anything herein to the contrary, upon the Contractor's successful completion of Task 1 the

Contractor shall be paid all license fees due in accordance with this agreement. Upon payment, the County shall be granted an irrevocable License to the System Software and System Software Source Code and all purchased modules, systems, and programs, as modified by the Work performed under this Agreement, which License shall survive the termination or expiration of this Agreement for any reason.

15. SOURCE CODE

15.1 Escrow. Contractor shall under an escrow agreement naming the County as beneficiary that incorporates the Conditions for Release and other terms of this Section 15, deposit with Lincoln-Parry SoftEscrow the System Software Source Code, which includes all development, interfaces and modifications. Such escrow deposits shall be made on a monthly basis (at a minimum), or as the System Software Source Code has a major release. Contractor's duty to deposit the System Software Source Code shall continue throughout the Term.

15.1.1 County named as Beneficiary. Contractor shall upon opening of escrow furnish the County Contract Manager with a copy of the signed escrow agreement and any and all schedules and attachments to the agreement, and shall during the term of the escrow promptly furnish a copy of each amendment to the agreement. The agreement shall provide that the County shall receive copies of any and all notices pertaining to the agreement and the escrow. Further, prompt written notification shall be provided to County if the escrow is amended and/or terminated. If terminated, a copy of the new signed escrow agreement shall be provided to County.

15.1.2 Conditions for Release. The System Software Source Code on deposit with County shall be released from escrow upon the earlier to occur of: (a) termination of this Agreement pursuant to Paragraph 4 (Termination for Insolvency) of Exhibit A (Additional Terms and Conditions); (b) termination by County of Maintenance Services for Contractor's breach of such Maintenance Service obligations; (c) termination by County pursuant to Paragraph 2 (Contractor Responsibility and Debarment) of Exhibit A (Additional Terms and Conditions); (d) Contractor's determination to discontinue the provision of Maintenance Services for any reason other than County's nonpayment of any undisputed Maintenance Fees accrued hereunder, unless prior to Contractor's discontinuation of Maintenance Services, Contractor assigns such obligation to a third party approved in advance by County pursuant to Paragraph 37 (Assignment and Delegation) of Exhibit A

(Additional Terms and Conditions); or (e) a different hardware platform is established for the product, without maintenance of the Licensed Software on the originally agreed equipment platform from the Effective Date of this Agreement.

16. THIRD-PARTY SOFTWARE

16.1 Contractor hereby represents and warrants that none of the System Software other than the third-party software as specified in Exhibit J (Third-Party Software) is owned by third parties (the Third-Party Software). Contractor represents and warrants that it has not modified and shall not modify, nor does Contractor have any need to modify, Third-Party Software in order for the System Software to fully perform in accordance with all requirements of this Agreement. Contractor represents and warrants that all Third-Party Software is provided to County in the same unmodified form as received by Contractor from the applicable third-party. Contractor represents and warrants that Third-Party Software shall, together with the remainder of the System Software, fully satisfy all requirements of the Agreement without the need for any modification of Third-Party Software by Contractor or otherwise.

16.2 County and Contractor acknowledge that they may have to execute certain third-party license agreements in respect of such Third-Party Software. These third-party license agreements shall be at no additional cost to County. To the extent that any such third party license agreement conflicts with this Agreement or in any way restricts County's full use and enjoyment of the System Software as contemplated herein, Contractor shall take all necessary action and pay all sums required for County fully to enjoy all the rights and benefits in respect of the System Software granted under this Agreement. Contractor shall promptly and at no cost to County, either: (1) obtain a license from the appropriate third-party which shall enable Contractor to modify such Third-Party Software, and Contractor shall provide all necessary modifications, or (2) to the extent that Contractor is unable to obtain such a license, provide an Update or alternative solution, which is functionally equivalent, in the sole determination of Contractor Project Manager and County Project Manager, in lieu of modifying such Third-Party Software.

17. MINIMUM SYSTEM REQUIREMENTS; COMPATIBILITY

17.1 Forms PW-16 through PW-18 (Technical Solution Evaluation, Functions and Features Checklist, Critical Requirements Checklist) and Exhibit B (Statement of Work) set forth the minimum requirements for System Hardware and operating system software that are Compatible (as defined below) with the Integrated System, including any Custom Programming

Modifications and Updates thereto, and are required for County to enjoy and exercise fully its rights in respect of the Integrated System. Contractor may request to inspect County's installation of the System Hardware or operating system software, provided that any such inspection, or lack thereof, shall not relieve Contractor of its obligations with respect to Paragraph 12 (Representations and Warranties) or Paragraph 13 (Maintenance, Support and Additional Services).

- 17.2 As used herein, "Compatible" or "Compatibility" means that the applicable System Hardware and operating system software, as the case may be, as set forth in Form PW-16 (Technical Requirements), Form PW-17 (Functional Checklist), Exhibit B (Statement of Work), and Contractor's Proposal are capable of supporting, operating and otherwise performing all such System Hardware or operating system software anticipated functions when used in conjunction with the System Software, including any Customizations, Interfaces, Updates, and Custom Programming Modifications thereto.

18. CONTRACTOR'S OFFICES

Contractor's business offices are located at 2235 Sheppard Avenue East, Suite 1400, Toronto, Ontario, Canada, M2J 5B5. Contractor shall notify County of any change in its business address at least ten (10) calendar days prior to the effective date thereof.

19. PRODUCTION USE OF THE SYSTEM

Following installation by Contractor and prior to Final Acceptance by County, County shall have the right to use, in production mode, any completed portion of the System Software without any additional cost to County where County determines that it is desirable or necessary for County operations. Such production use shall not restrict Contractor's performance under this Agreement and shall not be deemed to be Contractor's achievement of Go-Live or Final Acceptance.

20. NOTICES

All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (1) by hand with signed receipt; (2) by first-class registered or certified mail, postage prepaid; (3) by facsimile or electronic mail transmission followed within (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid; or (4) by overnight commercial carrier, with signed receipt. Notice is deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, on the

date of facsimile or electronic mail transmission if followed by timely confirmation mailing, or on the date of signature receipt by the receiving part of any overnight commercial carrier delivery. Addresses may be changed by either party giving ten (10) days prior notice in accordance with the procedures set forth above, to the other party.

To County:

County of Los Angeles Department of Public Works
Waterworks Division
Attention Mr. Greg Even
P.O. Box 1460
Alhambra, CA 91802-1460
Telephone: (626) 300-2020
Fax: (626) 979-5319
E-mail: geven@dpw.lacounty.gov

with a copy to:

County Counsel
County of Los Angeles
500 West Temple Street
Los Angeles, CA 90012

To Contractor:

Steven Hammond
General Manager
Advanced Utility Systems, a Division of N. Harris Computer Corporation
2235 Sheppard Ave East, Suite 1400
Toronto, Ontario, Canada
M2J 5B5
Telephone: 416-496-0149 x 221
Fax: 416-496-3910
Email: shammond@advancedutility.com

with a copy to:

Jeff Bender
Chief Executive Officer
N. Harris Computer Corporation
1 Antares Drive, Suite 400
Ottawa, Ontario, Canada
K2E 8C4
Telephone: 613-226-5511 x 2149
Email: jbender@harriscomputer.com

County Project Manager shall have the authority to issue all notices or demands, which are required or permitted by County under this Agreement.

21. ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of an arm's length negotiation between Contractor and County. Each party has had at all times the opportunity to receive advice from independent counsel of its own choosing. Accordingly, this Agreement is to be interpreted fairly as between the parties, and not strictly construed as against either party as draft or creator.

22. SURVIVAL

The following Paragraphs of this Agreement shall survive its expiration or termination for any reason: 10, 12, 14, 15, 16, 20, 21, and 22; and the terms and conditions set forth in the following Paragraphs of Exhibit A (Additional Terms and Conditions): 2, 3, 19, 20.5, 21.2, 22, 34, 38, 39, 41, 45, 48, 49, 51, and 53.

[illegible]

IN WITNESS WHEREOF, the County has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the Contractor has subscribed its name by and through its duly authorized officer, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy County Counsel

N. HARRIS COMPUTER CORPORATION

By _____
Jeff Bender
Chief Executive Officer

By _____
Steven Hammond
General Manager
Advanced Utility Systems Division

ATTACHMENT B

Award information has not been added at this time.

Bid Information

Bid Number : PW-ASD 709

Bid Title : Comprehensive Customer Information System (CIS) Solution (2008-IT020)

Bid Type : Service

Department : Public Works

Commodity : SOFTWARE-MINI & MAINFRAME COMPUTER- ACCOUNTING/FINANCIAL: BOOKKEEPING, BILLING AND INVOICING, BUDGETING, PAYROLL, TAXES, ETC.

Open Date : 2/14/2008

Closing Date : 3/13/2008 5:30 PM

Notice of Intent to Award : [View Detail](#)

Bid Amount : N/A

Bid Download : Not Available

Bid Description : PLEASE TAKE NOTICE that Public Works requests proposals for a contract for purchase, installation, implementation, and maintenance of a Comprehensive Customer Information System (CIS) Solution (2008 IT020) to replace the current Waterworks Billing System (WBS). The initial software and license costs are estimated to be \$375,000. The implementation services are estimated to be \$1.45 million. If not enclosed with this letter, the Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be requested by accessing the links below or from Ms. Lorena Calderon at (626) 458 4169, Monday through Thursday, 7 a.m. to 5:30 p.m.

RFP <ftp://dpwftp.co.la.ca.us/solicitationdocuments/cis.pdf>

Form PW-2 <ftp://dpwftp.co.la.ca.us/solicitationdocuments/formpw2.xls>

Form PW-2.1 <ftp://dpwftp.co.la.ca.us/solicitationdocuments/formpw21.xls>

Form PW-13 <ftp://dpwftp.co.la.ca.us/solicitationdocuments/formpw13.xls>

Form PW-16 <ftp://dpwftp.co.la.ca.us/solicitationdocuments/formpw16.xls>

Form PW-17 <ftp://dpwftp.co.la.ca.us/solicitationdocuments/formpw17.xls>

Form PW-18 <ftp://dpwftp.co.la.ca.us/solicitationdocuments/formpw18.xls>

Exhibit Q <ftp://dpwftp.co.la.ca.us/solicitationdocuments/exhibitq.pdf>

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document.

A Proposers' Conference will be held on Thursday, February 28, 2008, at 10 a.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room D. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Thursday, March 13, 2008, at 5:30 p.m. Sealed proposals must be submitted to the Public Works Cashier, located on the Mezzanine Floor at the above address.

Contact Name : Lorena Calderon

Contact Phone# : (626) 458-4169

Contact Email : lcalderon@dpw.lacounty.gov

Last Changed On : 2/20/2008 8:23:23 AM

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